

QC 101 FOR COUNTIES

This is a little information about Quality Control (QC) to help you better understand the process of how cases are selected and reviewed. You may contact Pat Moore, Program Administrator of Division of Social Services Quality Assurance (QA) Branch, at (919) 733-7831 if you have any questions about this information. You may also find additional information on-line at

http://www.ncdhhs.gov/dss/perfmgmt/quality_assurance.htm.

The QA Branch (also known as **QC**) operates the Food and Nutrition Services (FNS) QC Program as dictated in the federal regulations and the FNS Handbook 310, The Federal Food Stamp Program Quality Control Review Handbook. The State Quality Control analysts (QCA) use Federal Form FNS-380, Worksheet for FNS Quality Control Reviews to complete the case file reviews and report the findings to Food & Nutrition Service.

QC STAFF

The Quality Assurance (QA) Branch is part of the Performance Management / Reporting & Evaluation Management Section, which is located within the Division of Social Services. QC Staff consists of the following 16 people:

- One Program Administrator
- One Coordinator
- One Clerical Support
- 13 Analysts (two of which are second-party reviewers).

CASE SELECTION

Each month, the QC Coordinator enters information into a database, and Food and Nutrition Services Information System (FNSIS) randomly selects cases to be reviewed. Cases are selected after the FNSIS keying deadline on the last workday of the month. The following types of cases are pulled for the QC sample to be reviewed:

1. **Active Cases** *Previous month's cases that are active as of the keying deadline on the last day of the month. For example: Cases active as of April 30 were selected on May 1.*
2. **Negative Cases** *Cases that were terminated or denied applications in **two months prior to the selection date**. Cases closed in October were selected on December 1.*

CASE REVIEWS

Cases are assigned to the QC Analysts to review and they will:

1. Complete computer checks (using Online verification) such as, FNSIS, STARS (for vehicles), ACTS (obtain child support and new hire information), and Child Care Payment (obtain parent fee). Income Eligibility Verification System (IEVS) matches - EIS, ESC, SDX, and BENDEX - are provided with the assignments.
2. Notify you of the cases they will be reviewing and request that they be made available for review. **Note:** *Clients are not interviewed for negative case reviews; therefore, information from these cases may be faxed to the QCA.*
3. Set up appointments with the clients and interview them in their home, at the local county office, or a mutually agreed upon location.
4. Write up cases using the Federal QC worksheet after reading your record, interviewing the client, and receiving all verifications.
5. Send QC Alerts to the county FNS supervisor and to the Food and Nutrition Services and Energy Program Representatives (FNSEPR s) if there is information that you need to be aware of.
6. Notify you of a client s failure/refusal to cooperate with the QC review. Federal policy requires this notification and requires the county to attempt to contact the client to encourage and assist with cooperation. If a client refuses to cooperate with QC, then QC will notify you of the household s ineligibility. The time frame will also be provided. QC in turn will notify the agency when the client cooperates.

REBUTTAL PROCESS

The deadline for a county negotiation is usually ten workdays from the date the memo is mailed to the county. *QC can not always allow ten workdays, especially when a client fails to cooperate in a timely manner.* Your county representative must contact the FNSEPR to request an extension if needed. Due to federal deadlines, an extension is not always possible. However, QC will work with you to the extent possible. A DSS-2993, QC Negotiated Case Decision Form (along with a corrected QC Case Report and Error Analysis, if applicable), will be mailed to the attention of the person filing the rebuttal.

Counties should do the following when a notification of an error is received:

1. Review the case record and QC data;
2. Contact the FNSEPR and discuss the rebuttal (**never contact the QC Analyst**).
Contact Pat Moore at (919) 733-7831 if the FNSEPR is not available;
3. Complete a budget to determine if the rebuttal will reduce or eliminate the error;
4. Provide supporting information, if applicable; **and**
5. Mail **or** fax to (919) 733-0645 the rebuttal information and the DSS-1286 (the memorandum that was sent to the director) to Pat Moore. *If the information is faxed, a mailed copy is not needed. Fax is the preferred method.*

QC will respond to rebuttals within five workdays unless federal assistance is needed. If the county disagrees with QC s decision, the FNSEPR must be contacted. *Never contact federal QC regarding a case.*

Remember: *If the error amount is \$25 or less, it is considered a correct case. Contact your FNSEPR and/or Pat Moore if you have any questions regarding your rebuttal.*

Q C R E P O R T S

Each month the QC Coordinator completes a report of QC data for Sherry Bradsher, Director of the Division of Social Services. This cumulative monthly report is organized by teams and the data is for each county. The report provides the following information:

1. The total number of cases reviewed and the allotment amounts;
2. The number of over issuances, under issuances, ineligible cases, and the dollar amount of the error; **and**
3. The total payment accuracy rate (on active and negative cases) for each county, team, and the entire State.

This information is now available on line at: <http://www.ncdhhs.gov/dss/stats/fsp.htm>

The QC Branch provides a quarterly / annual report on QC data to the FNSEPR s. This report provides the following information:

1. Summary of the error analysis;
2. Statistics on the client and agency errors; **and**
3. Summary of the types of errors in each county.

F e d e r a l R e - r e v i e w s

Each month, the regional Federal Quality Control Section (of USDA - Food & Nutrition Service) randomly selects a sample of active cases, a sample of negative cases, and all dropped active & negative cases. *Federal policy requires QC to drop certain types of cases. For example: If all adult members of the household have moved out of the state.*

During their review process, they determine if the State s QC staff followed federal regulations governing the QC Program. If any differences / errors in the State s QC cases are found, the error will be multiplied by three. For example: If State QC determines that there is a \$30 error, but Federal QC determines that it is a \$130 error, the final error amount counted will be \$300 ($\$130 - 30 = \$100 \times 3 = \300). This is to discourage manipulation of review findings.

Q C D a t a ' s E f f e c t o n F o o d & N u t r i t i o n S e r v i c e s

QC data is used for many purposes by many people / agencies because of the various types of data that QC captures. For example: QC captures information about the household member s age, education level, income, deductions, etc. Often QC data is used to provide guidance to the USDA when making policy decisions about the program. For example: They used QC data to review the additional costs to the Federal Food Stamp Program when they gave states the option of mandating the standard utility allowances. Maybe someday, QC data will be used to obtain the much-wanted standard medical expense deduction!

QC data is also used to evaluate waivers. NC has a waiver that eliminates verification of interest income if the client states that the interest income amount is \$10 or less monthly or \$120 per year. QC data indicates that no errors resulted from this policy.

The one use of QC data that stands out to most people is the data used to determine the state's eligibility for high performance bonus money. QC data is used to determine the recipients of the following performance measures for High Performance Bonuses (effective federal fiscal year 2003).

Payment Accuracy

- \$24 million total is divided among the 7 States with the lowest and the 3 States with the most improved payment error rate.

Negative Error Rate

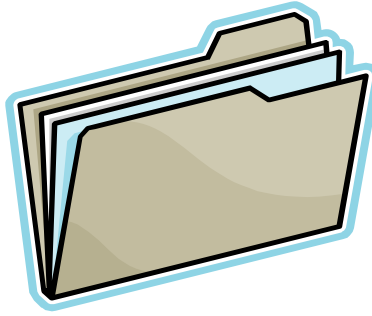
- \$6 million total is divided among the 4 States with the lowest and the 2 States with the most improved negative error rate.

Application Processing Timeliness

- \$6 million total is divided among the 6 States with the highest percentage of timely processed applications.
- This measure is based on new applications taken during the current federal fiscal year. Applications that are taken outside of the Federal-processing standards and applications processed under the regulatory delay policy will not be considered for this measure.

Note: *If a State is included in two criteria within one category, the State can only receive money as part of one category. For example: A State is among the 7 States with the lowest payment error rate and is also among the 3 States with the most improved payment error rate. That State can only receive bonus money from one category. Therefore, the State will be considered one of the most improved and the #8 State will move up in the payment accuracy ranking.*

States with a negative error rate over 1% are placed on corrective action. Negative case error rates affect program access and customer service. If a household's FNS application is denied, then they have been denied benefits. This reflects negatively on the agency's provision of FNS benefits.



WHAT TO PROVIDE WHEN QC REQUESTS A RECORD

ACTIVE CASES

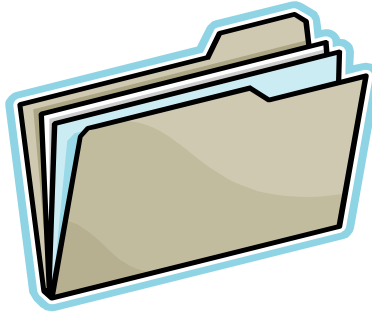
QC needs information relevant to the issuance of the benefits being reviewed. For Example: QC is reviewing the accuracy of benefits issued in May 2008. The household applied for recertification in January 2008 and no further actions have occurred. QC needs the recertification document and all applicable verifications and documentations relevant to the action taken in January. **Note:** *Documents from a prior certification are sometimes required because policy does not require verification of unchanged expenses, such as rent verification.*

QC must identify if an interview was conducted at the most recent application for recertification (if applicable). If so, QC must report if the interview was conducted via telephone or face-to-face.

QC must verify if an application (this includes late recerts) taken in the current federal fiscal year was processed timely; therefore, the Expedite Screening page and any applicable documentation **must** be provided.

Please provide the following information on the requested cases:

1. Household's phone number - including all can-be-reached number(s) home, work, mobile, etc.
2. Most recent recertification / application document & all applicable verifications
3. Application workbook and verification workbook if the date of application is in the current Federal fiscal year (October 1, 2007 – September 30, 2008)
4. Case narrative that includes from the most recent action through the month of review
5. Documents used to verify deductions (i.e. rent receipt, medical bills, etc.) even if verified in a prior certification period
6. Collateral contact information even if used in a prior certification period
7. Work First Family Assistance record, if applicable



NEGATIVE CASES

QC needs information relevant to the action under review. For Example: An application is denied for excess net income. QC needs the following:

- Information on the household's income - This includes the household's statement of income on the application or recert form, pay stubs, etc.
- Information on the household's expenses - This includes the household's statement of expenses on the application or recert form, including shelter verifications.
- Case narrative, if applicable.

Please provide the following information on the requested cases:

1. DSS-8590's for negative action.
2. DSS-8650, if applicable.
3. Relevant data / documents for the action. For Example: Wage information if denied / closed for excess gross income.
4. Application & verification workbook (8207 and expedite screening page), if applicable. Provide the pages that are relevant to negative action.
5. Household's residence address and phone number.
6. Any documentation (i.e. case narrative) of the reason for denial/termination.